

WASHINGTON -- College students could save an average of \$700 on loan repayments under legislation U.S. Rep. Spencer Bachus (R-AL) voted for that was signed into law by the President.

"This is one of the most important things Congress has done this year. Any action we take to help students and their families pay for a college education is a great victory for all America," Bachus said.

The law, passed by Congress as the Higher Education Act of 1998, gives college students the lowest interest rates on student loans in 17 years and sets the highest Pell Grant authorization in history -- a \$4,500 maximum grant for the next academic year.

It is estimated the new law will save borrowers \$11 billion over five years by locking in a new interest rate formula for student loans. Students who want to refinance existing loan payments must apply before Jan. 31, 1999.

For Pell Grants, the law raises the maximum authorized amount from the present \$3,000 to \$4,500 a year in 1999-2000 and phases in a larger amount in 2003-2004 to \$5,800.

"Nothing is more important to the future of our nation than education. The House of Representatives has passed 15 major education and job training bills this year because we know how critically vital a quality education is to our children," Bachus said.